



May 27, 2011  
**Request for Review**  
**CC Docket No. 02-6**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street SW  
Washington, DC 20554

To Whom It May Concern:

Marian High School would like to appeal the decision of the USAC as stated in the Administrator's Decision on Appeal – Funding Year 2010-2011 letter dated April 07, 2011 (pages 3 and 4 of this appeal).

Billed Entity: Marian High School  
Billed Entity Number: 55352  
Form 471 Application Number: 748147  
Funding Request Number: 2045870

Contact Person:  
Margaret C. Adams  
Director of Business Operations, Marian High School  
7225 Lahser Road  
Bloomfield Hills, MI 48301  
248-644-2030  
fax 248-644-6107  
[margie@marian-hs.org](mailto:margie@marian-hs.org)

The USAC has indicated in all correspondence regarding improperly disbursed funds for FRN 2045870 that the determination was based on “funding was disbursed for the following ineligible items: PRI and PRI Long Distance charges”.

In the appeal that Marian High School filed, we substantiated that PRI is eligible. Our appeal, however, was denied.

On May 24, 2011, I opened a case with the USAC Technical Client Service Bureau (case # 22-232539) to try to understand why Marian High School's appeal was denied. My case representative, Melissa, told me that the Improperly Disbursed Funds Report gave the wrong reason for denial. The reason should have been Incomplete Item 21 Attachment description.

Marian High School was contacted by the Program Integrity Assurance (PIA) team in May 2010. The PIA team asked for more information regarding Marian High School's telecommunication services that were requested on FRN 2045870. I responded to this PIA request via fax (pages 5 and 6 of this appeal are the first two pages of my May 28, 2010 fax to PIA). On the fax response I indicated that Marian High School requested service for "One PRI (which services the school's entire phone system) and 6 POTS lines (for fax machines, etc)." I also signed and dated this handwritten response on the fax.

After the fax was sent to my PIA representative, I had a phone conversation with my representative and he indicated that what I had submitted satisfied the PIA team's needs.

In February 2011, my telecommunication provider (XO Communications) was contacted by Donna Cromie (Program Compliance, Schools & Libraries Division, USAC). The email (pages 7 to 9 of this appeal) from Donna Cromie indicated that funds were disbursed for ineligible products/services. On a conference phone call between Donna Cromie, Shelley Lilly (XO) and myself on February 24, 2011, Donna indicated that the document in her file of the fax that I sent to PIA did not state "One PRI". Clearly the document in her file was not the original fax that I sent to the PIA team on May 28, 2010. I believe that USAC is basing their denial of Marian's PRI service on an altered (or incomplete) fax document.

**Marian High School requests that the FCC review the documents included in this appeal and approve funding for the PRI service at Marian High School based upon the original documentation that Marian High School provided to the PIA team which clearly states that FRN 2045870 is for PRI service and 6 POTS lines.**

Marian High School appreciates your consideration of this appeal. Feel welcome to contact me for any additional information.

Sincerely,



Margaret C. Adams

Director of Business Operations

Marian High School

Instruction on the USAC website say to list the following on appeal correspondence:

CC Docket No. 02-6

CC Docket No. 96-45



**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2010-2011**

April 07, 2011

Margaret C. Adams  
Marian High School, Bloomfield Hills  
7225 Lahser Rd.  
Bloomfield Hills, MI 48301-4047

Re: **Applicant Name:** MARIAN HIGH SCHOOL, BLOOMFIELD HILLS  
**Billed Entity Number:** 55352  
**Form 471 Application Number:** 748147  
**Funding Request Number(s):** 2045870  
**Your Correspondence Dated:** March 31, 2011

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2010 Notification of Improperly Disbursed Funds Recovery Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

**Funding Request Number(s):** 2045870  
**Decision on Appeal:** Denied  
**Explanation:**

- According to our records, it was determined that \$402.20 was improperly disbursed for this funding request. During the course of the appeal review it was determined that funding was disbursed for the following ineligible items: PRI and PRI Long Distance charges. The pre-discount ineligible cost associated with this is \$1,005.50. At the applicants 40 percent discount rate this resulted in an improper disbursement of \$402.20. FCC rules provide that funding may be approved only for eligible products and/or services. The USAC web site contains a list of eligible products and/or services. See the web site, [www.universalservice.org/sl/about/eligible-services-list.aspx](http://www.universalservice.org/sl/about/eligible-services-list.aspx) for the Eligible Services List. On the SPAC Form, the authorized person certifies at Item 10 that the service provider has billed its customer for services deemed eligible for

support. Therefore, USAC has determined that the service provider is responsible for this rule violation. On appeal you have not provided any evidence that the USAC determination was incorrect. Accordingly, USAC is seeking recovery of \$402.20 of improperly disbursed funds from the service provider.

- FCC rules provide that funding may be approved only for eligible products and services. See 47 C.F.R. secs. 54.502, 54.503. The USAC website contains a list of eligible products and services. See USAC website, [www.usac.org/sl](http://www.usac.org/sl), Eligible Services List. FCC rules further require that if 30% or more of the applicant's funding request includes ineligible products and/or services, then the funding request must be denied, otherwise the funding request will be reduced accordingly. See 47 C.F.R. sec. 54.504(d). The FCC's Aiken County Public Schools Order directed USAC to permit the applicant 15 calendar days from the date of receipt of notice in writing by USAC to revise its funding request to remove the ineligible services or allow the applicant to provide additional documentation to show why the services are eligible. See Requests for Review of the Decisions of the Universal Service Administrator by Aiken County Public Schools Aiken, SC, et al., Schools and Libraries Universal Service Support Mechanism, File No. SLD-397612, et al., CC Docket No. 02-6, Order, 22 FCC Rd 8735, FCC 07-61 para. 11 (May 8, 2007).

If your appeal has been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company



# Marian High School

(248) 644-1750, Fax (248) 644-6107

To: Jose Monje Fax #: (973) 599-6521  
From: Margie Adams Sender's Phone: 248-644-2030  
Date: 5-28-10 No. of Pages: 7  
(Including Cover Sheet)  
RE: PIA for Marian High School

☐ Urgent

☒ For Review

☐ Confidential

☐ Please Reply

Jose,

THANK YOU SO MUCH  
for the extra days to gether this  
information for you.

I will be in the office on  
Tuesday 6/1 from 8am - Noon and  
on Thursday 6/3 and Friday 6/4 all  
day. If you have questions please  
call me.

Margie C. Adams

**Marian High School**

7325 Lahser Road, Bloomfield Hills, Michigan 48301

[www.marian-hs.org](http://www.marian-hs.org)



## Schools and Libraries Division

May 03, 2010

Margaret C. Adams  
MARIAN HIGH SCHOOL, BLOOMFIELD  
HILLS  
Telephone: (248) 6442030  
Application Number 748147

**Response Due Date: May 18, 2010**

The Program Integrity Assurance (PIA) team is in the process of reviewing all Funding Year 2010 Form 471 Applications for schools and libraries discounts to ensure that they are in compliance with the rules of the Universal Service program. We are currently in the process of reviewing your Funding Year 2010 Form 471 Application. To complete our review, we need some additional information. The information needed to complete the review is listed below.

✓ I. Based on your documentation FRN 2045870- is a request for local, long distance or cellular service. The documentation does not indicate the number of lines for which funding is being requested. Please indicate the number of lines (including extensions) for which you are requesting service for this request.

One PRI (which services the school's entire phone system)  
and 6 POTS lines (for fax machines, etc).

M.C. Adams  
5/28/10

✓ II. Based on your documentation FRN 2019859- is a request for local, long distance or cellular service. The documentation does not indicate the number of lines for which funding is being requested. Please indicate the number of lines (including extensions) for which you are requesting service for this request.

Nine cellular lines.

M.C. Adams  
5/28/10

✓ III. For FRN 2019906-Internet Access, the documentation provided in the Item 21 Attachments is not sufficient to determine the eligibility of your request. The documentation does not sufficiently describe the products and services being requested, so we cannot determine the eligibility of your request.

Please provide more detailed documentation, such as the vendor quotes/bills that identifies the actual products and services being delivered. If the bill you receive does not identify the specific products and services being delivered, you will need to contact your vendor and request such documentation.

Vendor contract attached. Note that installation is still in progress. Interim T-1 service is being provided to the school until the 100Mb/s service becomes operational.

M.C. Adams 5/28/10

Date:

**Adams, Margie**

From: Lilly, Shelley [Shelley.Lilly@xo.com]  
 Sent: Thursday, February 24, 2011 11:54 AM  
 To: Cromie, Donna  
 Cc: Adams, Margie  
 Subject: RE: Erate FRN 2045870 MARIAN HIGH SCHOOL, BLOOMFIELD HILLS  
 Attachments: image001.jpg; Fax-Feb-24-2011-09-44-46-6351.tif

Donna,

I do NOT agree and wish to choose Option II

Attached is the information that clearly shows Marian High School requested PRI service in their original fax that was sent to Jose during the initial PIA review. Donna was advised by Jose to choose basic service and list out the POTs lines on her forms and if this action was incorrect Jose should NOT have approved this in the initial review as it is clear Marian High school was requesting PRI service per the original fax copy that was sent to Jose in May 28<sup>th</sup> 2010. Please review

From: Cromie, Donna [mailto:DCROMIE@sl.universalservice.org]  
 Sent: Wednesday, February 23, 2011 4:19 PM

**Schools and Libraries Division**

Feb 23, 2011	
Shelley D Lilly - XO Communications Inc.	
MARIAN HIGH SCHOOL, BLOOMFIELD HILLS	
Telephone:	(678) 444-4430
Fax:	(678) 444-2638
Email:	Shelley.Lilly@xo.com
Application Number	748147
FRN:	2045870

**Response Due Date: 3/10/2011****Time Sensitive – 15-Day Response Expected**

As we discussed in our conversation, the Program Compliance team is in the process of reviewing your Funding Year 2010 Form 471 application(s) for schools and libraries discounts to ensure that it(they) is (are) in compliance with the rules of the Universal Service program. To complete my review, I need some additional information. The information needed to complete the review is listed below.

Based on review of documentation that you have provided during recovery review, we have determined that USAC improperly committed and/or disbursed funds for FRN 2045870 because it included some ineligible product(s)/service(s). According to program rules, USAC is unable to fund ineligible products or services. As a result, USAC may adjust your funding commitment for FRN 2045870 to remove the cost associated with ineligible product(s)/service(s). In order to facilitate commitment adjustment or recovery of improperly disbursed funds process for this FRN(s), the charges associated with

5/26/2011

Date:

Page 2 of 3

ineligible items must be identified. Listed below are the ineligible items and their associated costs:

**Ineligibles were included in your invoiced amount:**  
**PRI charges and taxes for \$402.20 post discount.**

RIDF	Line Approved Invoice 1391404	Line 4646706			
Date	Application	FRN	Name		
7/5/2010	748147	2045870	Marian High School	\$635.45	
8/5/2010	748147	2045870	Marian High School	\$653.35	
9/5/2010	748147	2045870	Marian High School	\$686.70	
			UDA	\$1,975.50	
			Approved	\$790.20	

Date	Line Modified Application	FRN	Name	Without ineligible	deviation	
7/5/2010	748147	2045870	Marian High School	343.91	311.04	
8/5/2010	748147	2045870	Marian High School	325.62	347.23	
9/5/2010	748147	2045870	Marian High School	358.91	347.23	
			UDA	1028.44	1005.5	Total deviation
			Approved	411.376	402.2	Post discount

Please confirm that you agree with the commitment adjustment amount of \$402.20 funds determination. \_\_\_\_\_  
 Yes or \_\_\_\_\_ No

#### **What to do if you disagree**

##### **Option I**

If you do not agree with the cost allocation, provide an alternative cost allocation identifying the cost(s) for the ineligible item(s). Such a cost allocation must be measurable and identified in your supporting documentation. For further information, see "Cost Allocation Guidelines for Products and Services" located in the Reference Area of the SLD Web site at:  
<http://www.universalservice.org/sl/applicants/step06/cost-allocation-guidelines-products-services.aspx>.

##### **Option II**

If you do not agree with our eligibility assessment of your product(s)/service(s), then you may provide third party supporting documentation (e.g., vendor bill, contract, service agreement, etc.) to show why this product(s)/service(s) is eligible.

If you do not respond within 15 days, USAC will seek recovery of improperly disbursed funds for FRN 2045870 in accordance with the cost allocation determination provided above.

Please fax or email the requested information to my attention. If you have any questions, please feel free to contact me.

It is important that we receive all of the information requested within 15 calendar days so we can complete our review. Failure to do so may result in a commitment adjustment and/or recovery of previously disbursed funds. If recovery is needed, USAC may seek recovery of any improperly disbursed funds from the Service Provider.

Should you wish to cancel your Form 471 application(s), or any of your individual funding requests, please clearly indicate in your response that it is your intention to cancel an application or funding request(s), along with the Form 471 application number (s) and/or funding request number(s) and the complete name, title and signature of the authorized individual.

Thank you for your cooperation and continued support of the Universal Service Program.

5/26/2011

Date:

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Sincerely,

**Donna M. Cromie**

Program Compliance

Schools &amp; Libraries Division

Universal Service Administrative Company

Voice: 973-581-8283

Fax: 973-589-6662

Email: [DCromie@ui.universalservice.org](mailto:DCromie@ui.universalservice.org)

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5/26/2011